

EXHIBIT CC

MOTORHEAD

The New Tangible

Whenever something profound takes place in this sport, I attempt to mark its arrival in time by editorializing on the subject. Such is the case with this month's diatribe.

You may have noticed the snowmobile manufacturers are bent on exceeding your expectations with each and every introduction of a new sled. Product development people spend months working with consumer focus groups deciphering what really matters most to the broadest section of the market. These statistically driven managers dump their conclusions onto engineers who have the insurmountable task of taking the ethereal and transforming it into the tangible. The goal? To make you leave your wallet out a little longer at purchase time or even better, entice you into a showroom selling a brand not currently among your most blessed.

This process often originates in a somewhat backwards fashion from what I've just described. Often an enlightened group of engineers will approach product managers with a new concept they believe can be developed into a consumer digestible feature which you'll flip helmet over heels to purchase. Such was the case with Centralized Mass.

Ski-Doo's Engineering Group launched a program years ago which ultimately led to the development of the REV. Truth is, when these insightful minds first dreamed up concepts which would become the REV, they were really out there. While exploring the limits of snowmobile technology this group of free thinkers stumbled onto two breakthroughs which would impact the industry profoundly in model year 2003: improved rider ergonomics and centralized mass. Strangely, if only one of the breakthroughs had been taken to production without the other, the result would have been much less effective.

Here's the deal. When the original project surfaced, it was all about altered riding posi-

tion. Better sled ergos are certainly a worthy calling but the spinoff from this attempt at repackaging the sled and rider became the new tangible I'm addressing here. For sure, moving the rider into a more upright and forward position sets the REV apart from all other current snowmobile designs. This riding position is, in our estimation, fully acceptable and preferred by about 85% of the people we let sample our limited build REV last winter. This confirmed our belief the REV is no silver-wide market sled. Almost without exception, the new riding position captured the imagination of snowmobilers on their very first sampling.

I'll liken this phenomenon to the immediate acceptance of another landmark snowmobile, the original 1993 Polaris XLT triple. When snowmobilers pulled the cord on the XLT and witnessed the melodious national anthem of snowmobiling spilling out the sled's three-into-one pipe, they were convinced they wanted a copy. In fact, they bought more XLTs in the mid-90's than any other snowmobile model. Here's the interesting part. Consumers bought XLTs because they liked the sound they made. After they owned a copy and rode the sled, most realized there was as much tangible benefit to the "X" and "L" as there was with the "T". The sled's light weight, combined with triple power meant the sled was a no compromise snowmobile - great triple cylinder sensations in a package as light as many twins. It was a win-win deal.

Back to the REV. Snowmobilers viewing it at this point in the season can only appreciate its radically different ergonomics. If you haven't had a chance to sit on one, make sure you do, soon. When the snow flies this winter and thousands of REV riders experience the tangible effect of centralized mass, we predict the market's response will be similar to the XLT story. Result: gangbuster sales increases.

Engineers, product managers and marketing gurus from each of the OEMs all want to be first to uncover new features snowmobilers will perceive as value. Look back over the past two decades and you'll discover a multitude of innovations which changed the sport and gave an advantage to the maker who broke the idea first. Here's a short list: Aluminum chassis, oil injection, liquid cooling, independent front suspension (IFS), reverse gear, heated grips, purpose built two-up sleds, long travel suspension, tunable clutches, smooth triple cylinder power, plastic skis, sub-600 pound sleds, high torque twins, rider adjustable suspension, sub-

550 pound sleds and the list goes on. For those who believe history does repeat itself take note: In each case, one OEM at a time implemented these innovations. Shortly thereafter most became commonplace among the four manufacturers' product lines.

The REV is not the only snowmobile with centralized mass available this season. Arctic Cat has gone a long way in an attempt to pursue it on the new Firecat series. Even the Yamaha RX-1 moves in this direction with its reversed engine. For the time being, Ski-Doo will deliver the best example of what centralized mass is all about with the REV. The reason? Ski-Doo correctly identified the heaviest part of the snowmobile - you, the cheese burger chomping pilot - and moved your mass to the theoretical center of the sled.

We've talked much about the importance of centralized mass since we first rode the REV last December in Salt Lake City, Utah. Since that time we've become so attached to the sensations it produces, we're hard pressed to ride a conventional sled without missing the effects of centralized mass. What sensation? Picture sitting dead center on a teeter totter rather than at either end. How much movement is there at the middle of a teeter totter compared to the ends? When the humps deepen and the approaches steepen, lift your butt slightly by simply standing - you need not pull against the bars with your arms - and the REV will fly like a bird over gnarly terrain or off driveway approaches. Why? Again, you're sitting slam dunk in the middle of the sled. Add in the REV's impressive light weight at 535 pounds for the 800i and you've got a solid improvement in the way the modern snowmobile covers terrain.

This year, innovation and new ideas have heated the showroom wars to new levels with more radical technology hitting the snow than we can remember in the past decade. While the cost for these impressive innovations is extremely high, the OEMs with the newest iron are gambling they can steal enough customers from their competitors to pay the bills.

Will centralized mass and its tangible benefits be enough to make you take out your wallet? I predict after you experience it firsthand, you'll be thinking about your next sled. ▲